GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3352
ANSWERED ON:06.09.2007
SUBSIDY ON LOAN TAKEN BY DRUG COMPANIES
Tripathy Shri Braja Kishore

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

e:

(a) whether the government proposes to extend 5% interest subsidy on the loan amount taken by the drug manufacturers;

(b) if so, the details thereof and the reasons therefore;

(c) the number of pharmaceutical units which are expected to get benefit from the interest subsidy; and

(d) the estimated cost to be borne by the Government during 2007-08 for such subsidy ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) and (b): To introduce Good Manufacturing Practices in the pharmaceutical industry in India, Schedule 'M' to the Drugs and Cosmetics Rules 1945 has been made mandatory from 1.7.2005. In order to help the small and medium enterprises (SME) in pharmaceutical industry, my Ministry proposes to implement a scheme by which reimbursement of five percent point of interest charged by the identified scheduled banks/financial institutions on the sanctioned projects would be given.

c): It is expected that approximately 2000 to 3000 units may like to avail the benefits under this scheme.

(d): To start with, Planning Commission has sanctioned Rs. 15.00 crores under this head for the year 2007-2008.